

2012 Vanderburgh County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Vanderburgh County between 2011 and 2012.

In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Vanderburgh County the average tax bill for all taxpayers increased by 5.0%. This tax bill rise was the result of a 4.6% increase in the tax levy of all local government units. Certified net assessed value fell 2.4%. Other residential and business assessments fell, which may have been a legacy of the recession. Homestead and agricultural assessments increased. An increase in levies and a fall in net assessments caused tax rates to rise in most Vanderburgh tax districts. This resulted in a 1.0% increase in tax cap credits as a percentage of the levy.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	5.0%	\$170,745,704	\$6,745,696,894	5.6%
Change		4.6%	-2.4%	1.0%
2011	5.2%	\$163,188,460	\$6,911,288,711	4.5%

Homestead Property Taxes

Homestead property taxes increased 5.7% on average in Vanderburgh County in 2012. Tax rates increased in all but one Vanderburgh tax district. The county average tax rate rose by 5.9%. The percentage of Vanderburgh homesteads at their tax caps rose from 10.1% in 2011 to 13.8% in 2012. Vanderburgh's local homestead credit rate was nearly unchanged in 2012.

Comparable Homestead Property Tax Changes in Vanderburgh County

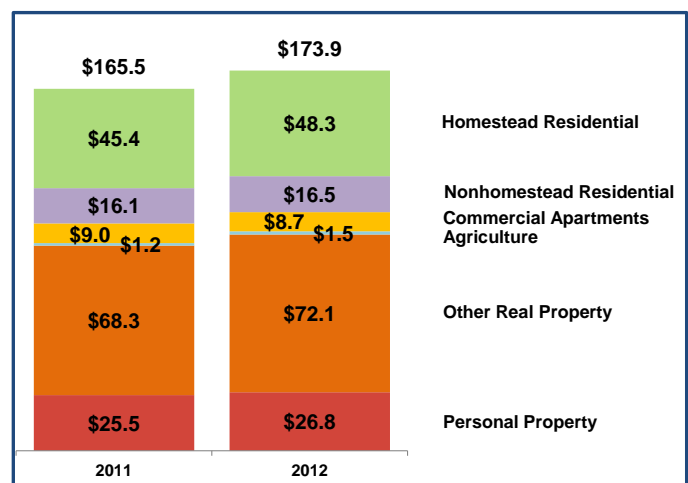
	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	42,094	88.5%
No Change	1,642	3.5%
Lower Tax Bill	3,838	8.1%
Average Change in Tax Bill	5.7%	
Detailed Change in Tax Bill		
20% or More	2,595	5.5%
10% to 19%	3,858	8.1%
1% to 9%	35,641	74.9%
0%	1,642	3.5%
-1% to -9%	2,133	4.5%
-10% to -19%	674	1.4%
-20% or More	1,031	2.2%
Total	47,574	100.0%

Note: Percentages may not total due to rounding.

Net Tax Bill Changes - All Property Types

The largest part of Vanderburgh County's 2012 net property taxes were paid by business owners on their land and buildings (other real) and equipment (personal property) and by homeowners. Net tax bills for all taxpayers increased 5.0% in Vanderburgh in 2012. Net taxes were much higher for agricultural property. Net assessments were higher for homestead property, but lower for other residential (mostly smaller rentals and second homes) and for business real and personal property.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates increased in all but one Vanderburgh County tax districts. The average tax rate rose by 5.9%, because of a levy increase and a net assessed value decrease.

Levies in Vanderburgh County increased by 4.6%. The largest levy increase was in the city of Evansville, due to increases in the general and park bond funds. Evansville-Vanderburgh Schools saw large increases in its debt payment, capital projects, and transportation fund levies. Knight Township levies declined by a large percentage but no Vanderburgh County units saw significant dollar decreases in levies.

Vanderburgh County's total net assessed value decreased 1.8% in 2012. Agricultural net assessments rose 8.2%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Agriculture was a small share of Vanderburgh County assessments, however. Business real and personal property assessments and other residential assessments decreased, which may have been a lingering effect of the Great Recession. Homestead assessments increased.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$6,078,328,825	\$6,118,841,568	0.7%	\$2,551,343,977	\$2,592,012,945	1.6%
Other Residential	1,182,258,300	1,159,028,909	-2.0%	1,176,156,905	1,150,608,033	-2.2%
Ag Business/Land	76,543,400	82,911,200	8.3%	76,482,500	82,778,132	8.2%
Business Real/Personal	5,171,524,220	4,966,521,051	-4.0%	3,910,469,283	3,752,734,892	-4.0%
Total	\$12,508,654,745	\$12,327,302,728	-1.4%	\$7,714,452,665	\$7,578,134,002	-1.8%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Vanderburgh County were \$10.6 million, or 5.6% of the levy. This was less than the state average percentage of the levy of 9.2%, but more than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, but Vanderburgh County's tax rates were a little higher than the state average. Vanderburgh's credits as a share of the levy were relatively low because none of the county's tax rates exceeded \$3 per \$100. No business property in the 3% category was eligible for credits.

More than two-thirds of the total tax cap credits were in the 2% nonhomestead/farmland category; almost all of the rest was in the 1% homestead category. The largest percentage losses were in the city of Evansville and in Knight and Pigeon Townships, where district tax rates approached \$3 per \$100 assessed value. The largest dollar losses were in the city of Evansville, Evansville-Vanderburgh Schools, and the county unit.

Tax Cap Credits by Category

Tax cap credits increased in Vanderburgh County in 2012 by \$2.4 million, or 30.1%. The percentage of the levy lost to credits rose by 1.0%. There were no major changes in state policy to affect tax cap credits in 2012. Vanderburgh County credits increased mainly because most district tax rates increased.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$1,869,710	\$2,793,221	\$923,510	49.4%
2%	6,204,438	7,689,543	1,485,104	23.9%
3%	0	0	0	0.0%
Elderly	58,667	94,859	36,192	61.7%
Total	\$8,132,815	\$10,577,622	\$2,444,806	30.1%
% of Levy	4.5%	5.6%		1.0%

Vanderburgh County Levy Comparison by Taxing Unit

Taxing Unit						% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
County Total	222,695,334	152,738,507	156,754,973	163,188,460	170,745,704	-31.4%	2.6%	4.1%	4.6%
State Unit	197,032	0	0	0	0	-100.0%			
Vanderburgh County	52,905,397	42,607,632	42,705,187	43,948,459	44,758,981	-19.5%	0.2%	2.9%	1.8%
Armstrong Township	61,381	63,803	65,774	67,845	70,067	3.9%	3.1%	3.1%	3.3%
Center Township	884,913	782,916	819,895	837,580	847,625	-11.5%	4.7%	2.2%	1.2%
German Township	171,809	237,987	167,365	172,952	260,044	38.5%	-29.7%	3.3%	50.4%
Perry Township	394,865	390,729	399,338	409,149	414,388	-1.0%	2.2%	2.5%	1.3%
Knight Township	440,559	478,717	451,055	486,208	421,312	8.7%	-5.8%	7.8%	-13.3%
Pigeon Township	1,099,177	1,144,035	828,956	657,319	1,048,021	4.1%	-27.5%	-20.7%	59.4%
Scott Township	512,901	548,685	752,424	713,679	770,031	7.0%	37.1%	-5.1%	7.9%
Union Township	29,389	59,508	58,934	55,428	61,055	102.5%	-1.0%	-5.9%	10.2%
Evansville Civil City	57,444,952	53,900,854	57,565,622	58,262,313	61,547,960	-6.2%	6.8%	1.2%	5.6%
Darmstadt Civil Town	94,858	129,525	134,886	137,809	138,504	36.5%	4.1%	2.2%	0.5%
Evansville-Vanderburgh School Corp	95,971,175	38,977,305	38,419,976	41,882,409	44,508,108	-59.4%	-1.4%	9.0%	6.3%
Evansville-Vanderburgh County Public Lib	11,066,651	11,549,090	11,817,212	12,053,287	12,371,608	4.4%	2.3%	2.0%	2.6%
Vanderburgh County Solid Waste Mgmt Dist	0	0	0	0	0				
Evansville Levee Authority	1,420,275	1,867,721	1,677,146	1,672,532	1,720,153	31.5%	-10.2%	-0.3%	2.8%
Evansville-Vanderburgh Airport Authority	0	0	891,203	1,831,491	1,807,847			105.5%	-1.3%

Vanderburgh County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates				LOIT Homestead	LOIT Residential	Net Tax Rate, Homesteads
				COIT Homestead	CEDIT Homestead	CEDIT Residential				
82017	Armstrong Township	1.7416	--	7.0474%	--	--	--	--	--	1.6189
82018	Darmstadt Town-Armstrong Twp	1.8708	--	7.0474%	--	--	--	--	--	1.7390
82019	Center Township	1.7337	--	7.0474%	--	--	--	--	--	1.6115
82020	Evansville City-Center Township	2.8807	--	7.0474%	--	--	--	--	--	2.6777
82021	Darmstadt Town Center Township	1.8956	--	7.0474%	--	--	--	--	--	1.7620
82022	German Township	1.7520	--	7.0474%	--	--	--	--	--	1.6285
82023	Darmstadt Town-German Township	1.8785	--	7.0474%	--	--	--	--	--	1.7461
82024	Perry Township	1.7370	--	7.0474%	--	--	--	--	--	1.6146
82025	Evansville City-Perry Township	2.8816	--	7.0474%	--	--	--	--	--	2.6785
82026	Knight Township	1.7613	--	7.0474%	--	--	--	--	--	1.6372
82027	Evansville City-Knight Township	2.8704	--	7.0474%	--	--	--	--	--	2.6681
82028	Pigeon Township	1.9982	--	7.0474%	--	--	--	--	--	1.8574
82029	Evansville City-Pigeon Township	2.9485	--	7.0474%	--	--	--	--	--	2.7407
82030	Scott Township	1.8242	--	7.0474%	--	--	--	--	--	1.6956
82031	Darmstadt Town-Scott Township	1.8799	--	7.0474%	--	--	--	--	--	1.7474
82032	Union Township - Real	1.7807	--	7.0474%	--	--	--	--	--	1.6552
82033	Union Township - Personal	1.9126	--	7.0474%	--	--	--	--	--	1.7778
82034	Evansville City - Knight Twp Phase In Annexation	2.5714	--	7.0474%	--	--	--	--	--	2.3902
82035	Evansville City - Pigeon Twp Phase In Annexation	2.6495	--	7.0474%	--	--	--	--	--	2.4628
82036	Evansville City - Knight Twp (TIF Memo Only)	0.8968	--	7.0474%	--	--	--	--	--	0.8336
82037	Evansville City-Knight Twp Burk Org (TIF Memo Only)	1.1958	--	7.0474%	--	--	--	--	--	1.1115
82038	Evansville City Knight Twp Burk Exp (TIF Memo Only)	1.1958	--	7.0474%	--	--	--	--	--	1.1115

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Vanderburgh County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total		
<i>Non-TIF Total</i>	2,759,697	7,277,598	0	94,859	10,132,154	170,745,704	5.9%
<i>TIF Total</i>	33,524	411,944	0	0	445,468	18,853,482	2.4%
<i>County Total</i>	2,793,221	7,689,543	0	94,859	10,577,622	189,599,186	5.6%
Vanderburgh County	640,439	1,663,909	0	24,814	2,329,162	44,758,981	5.2%
Armstrong Township	27	0	0	37	64	70,067	0.1%
Center Township	4,533	6,577	0	440	11,550	847,625	1.4%
German Township	617	0	0	151	768	260,044	0.3%
Perry Township	931	5,958	0	233	7,121	414,388	1.7%
Knight Township	10,122	18,745	0	346	29,213	421,312	6.9%
Pigeon Township	3,991	67,049	0	254	71,294	1,048,021	6.8%
Scott Township	1,176	0	0	182	1,358	770,031	0.2%
Union Township	0	0	0	1	1	61,055	0.0%
Evansville Civil City	1,231,218	3,264,219	0	34,843	4,530,280	61,547,960	7.4%
Darmstadt Civil Town	301	0	0	54	355	138,504	0.3%
Evansville-Vanderburgh School Corp	638,317	1,658,630	0	24,686	2,321,633	44,508,108	5.2%
Evansville-Vanderburgh County Public Lib	177,429	461,038	0	6,862	645,328	12,371,608	5.2%
Vanderburgh County Solid Waste Mgmt Dist	0	0	0	0	0	0	
Evansville Levee Authority	24,670	64,103	0	954	89,727	1,720,153	5.2%
Evansville-Vanderburgh Airport Authority	25,927	67,371	0	1,003	94,301	1,807,847	5.2%
City of Evansville Redevelopment	0	0	0	0	0	0	
Vanderburgh County Redevelopment	0	0	0	0	0	0	
TIF - Center Township	0	0	0	0	0	5,942	0.0%
TIF - Evansville City-Center Township	0	0	0	0	0	0	
TIF - German Township	0	0	0	0	0	0	
TIF - Perry Township	0	0	0	0	0	116,008	0.0%
TIF - Knight Township	0	0	0	0	0	6,260	0.0%
TIF - E'ville-Knight Township 2nd Annex Org	2,055	231,555	0	0	233,610	2,804,021	8.3%
TIF - Evansville City-Pigeon Township	31,469	60,890	0	0	92,359	8,395,195	1.1%
TIF - Scott Township	0	0	0	0	0	856,551	0.0%
TIF - E'ville Knight Phase In Annexation	0	119,500	0	0	119,500	6,669,506	1.8%
TIF - E'ville - Knight Township 2nd Annex Exp	0	0	0	0	0	0	

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.